GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

UNSTARRED QUESTION NO:3501
ANSWERED ON:20.03.2001
IMPORT OF UREA
UMMAREDDY VENKATESWARLU

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether the quantitative restrictions on import of urea would be removed by April 1, 2001;

(b) if so, the likely impact of removal of quantitative restrictions on the domestic producers of urea;

(c) whether any specific study is being done on the future of such urea producing units in the country; and

(d) if so, the details thereof?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI S. B. MOOKHERJEE)

(a): The quantitative restrictions on import of urea are likely to be removed by April 1, 2001.

(b) to (d): The removal of quantitative restrictions on urea will have implications for the viability of the industry particularly for naphtha and FO/LSHS based units.The Government had set up a Task Force under the Chairmanship of Shri A.V. Gokak, former Secretary, Department of Fertilizers to study this issue and recommend, inter alia, the tariff rate on urea which is an unbound item under WTO. The Task Force submitted its Report to the Government in January 2001.The recommendations of the Task Force will form the basis of further action by the Government including, inter alia, imposition of tariffs on imports and/or such other measures as are necessary to protect the interest of the domestic fertilizer industry.